

AN ORDINANCE TO AUTHORIZE AN AGREEMENT WITH
METROPOLITAN LIFE INSURANCE COMPANY

WHEREAS, pursuant to Section 2-308 and Section 8-200 of the City Charter, the City of Wilmington is authorized to enter into contracts for the supply of property or the rendering of services for more than a period of one year if approved by City Council by Ordinance; and

WHEREAS, the City desires to enter into a professional services contract to provide life insurance policies; and

WHEREAS, the City has negotiated an agreement for such services with Metropolitan Life Insurance Company("MetLife") at a price as shown in the Contract; and

WHEREAS, actual expenditures will be subject to the limitations of the City's annual budgets; and

WHEREAS, the Agreement shall begin July 1, 2010 and end approximately on June 30, 2011, unless terminated sooner as provided therein; and

WHEREAS, it is the recommendation of the Director of Human Resources that the City enter into the Agreement as described above, a copy of which is attached hereto and incorporated by reference as Exhibit "A".

THE COUNCIL OF THE CITY OF WILMINGTON HEREBY ORDAINS:

SECTION 1. The Agreement between the City of Wilmington and Metropolitan Life Insurance Company to provide life insurance policies, at a price outlined in the Agreement a

#3363

Sponsor:

Council
Member
Freel

copy of which is attached hereto and incorporated by reference herein as Exhibit "A", is hereby approved, and the Mayor and the City Clerk are hereby authorized and directed to execute as many copies of said Agreement, as well as all additional undertakings related thereto, as may be necessary.

SECTION 2. This Ordinance shall be effective upon its passage by City Council and approval of the Mayor.

First Reading May 6, 2010
Second Reading. . . . May 6, 2010
Third Reading June 3, 2010

Passed by City Council, June 3, 2010

Norman D. Griffiths
President of City Council 6/3/10

ATTEST: Traci Owens
Acting Deputy City Clerk

Approved as to form this
Jack day of April, 2010.

clh
Assistant City Solicitor

Approved this 4th day of
June, 2010
J. M. Baker
Mayor

SYNOPSIS: This Ordinance authorizes the City to enter into an agreement with Metropolitan Life Insurance Company to provide life insurance policies.



Metropolitan Life Insurance Company
200 Park Avenue, New York, New York 10166

Metropolitan Life Insurance Company ("MetLife"), a stock company, will pay the benefits specified in the Exhibits of this policy subject to the terms and provisions of this policy. The Schedule of Exhibits lists each Exhibit to this policy, to whom it applies and its effective date.

Policyholder: City of Wilmington

Group Policy No.: 145100-1-G

EFFECTIVE DATE

This policy will take effect on July 1, 2010.

POLICY ANNIVERSARIES

Policy anniversaries will be July 1, 2011 and each subsequent July 1.

PREMIUM PAYMENTS

This policy is issued in return for the payment by the Policyholder of required Premiums. Premiums are payable at the home office of MetLife or to its authorized agent. The first Premium is due on and must be paid by this policy's effective date. Any later Premiums are due monthly in advance on the first day of each Policy Month. These dates are the Premium Due Dates.

POLICY SITUS

This policy is issued for delivery in and governed by the laws of Delaware.

Signed as of this policy's effective date at MetLife's home office in New York, New York.

Jeffrey A. Welikson
Senior Vice President and Secretary

C. Robert Henrikson
Chairman of the Board, President and Chief Executive Officer

Signed by _____
(A MetLife licensed agent or resident agent as required by law.)

Date _____

GROUP TERM LIFE AND ACCIDENT AND HEALTH INSURANCE POLICY

NON-DIVIDEND PAYING

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DEFINITIONS

As used in this policy, the terms listed below will have the meanings defined below. When defined terms are used in this policy, they will appear with initial capitalization. The plural use of a term defined in the singular will share the same meaning.

Contribution means the amount the Policyholder may require the Employee to pay towards the total Premium that MetLife charges for the insurance provided by this policy.

Contributory Insurance means insurance for which the Policyholder may require the Employee to pay at least part of the Premium.

Covered Person means an Employee and/or a Dependent as set forth in the Exhibit which applies to the Employee.

Dependent is defined in the Exhibit which applies to the Employee.

Employee is described in the Exhibit which applies to the Employee.

Employer means the Policyholder shown on page 1.

Noncontributory Insurance means insurance for which the Policyholder may not require the Employee to pay any part of the Premium.

Policy Anniversary is defined on page 1.

Policy Month. The first Policy Month will begin on the effective date shown on page 1. Subsequent Policy Months will begin on the same day of each subsequent calendar month.

Premium means the amount the Policyholder must pay to MetLife for all the insurance provided under this policy.

Premium Due Date is defined on page 1.

Signed means any symbol or method executed or adopted by a person with the present intention to authenticate a record, and which is on or transmitted by paper or electronic media, and which is consistent with applicable law.

Written or Writing means a record which is on or transmitted by paper or electronic media, and which is consistent with applicable law.

SCHEDULE OF INSURANCE

The Schedules of Insurance which apply under this policy are set forth in the Exhibits.

MetLife and the Policyholder have agreed that, a MetLife affiliate (the "Affiliate"), shall make a will preparation service (the "Service") available to Employees who elect group supplemental life insurance coverage. This Service will be made available at no cost to the Policyholder or to such Employees during the period that group supplemental life insurance coverage is in effect.

MetLife and the Policyholder have agreed that, a MetLife affiliate ("Affiliate"), shall make a probate benefit ("Benefit") available to the estate of each Employee who elects group supplemental life insurance coverage and who dies while such group supplemental life insurance coverage is in effect. This Benefit will be made available at no cost to the Policyholder or to such Employees.

ELIGIBILITY AND EFFECTIVE DATES OF INSURANCE

The Eligibility and Effective Dates of Insurance provisions that apply under this policy are set forth in the Exhibits.

CONTRIBUTIONS

The Policyholder will not require an Employee to contribute to the cost of Noncontributory Insurance.

The maximum amount that an Employee may be required to contribute to the cost of Contributory Insurance will not exceed the Premium charged for the amounts of such insurance.

PREMIUM RATE(S)

Initial Rate(s)

The initial Premium rate(s) are shown in Exhibit 1.

Frequency of Premium Payment

Premiums for this policy will be paid as shown on page 1. MetLife and the Policyholder may agree that payment be made in advance every 3, 6 or 12 months.

Computation of Premium

The Premium due on any Premium Due Date is determined by the total amount of insurance provided by this policy on such Premium Due Date, multiplied by the appropriate Premium rate(s) which are then in effect subject to any Premium adjustments, if applicable.

MetLife may use any reasonable method to compute Premiums due under this policy.

Premiums for Changes in Insurance

For insurance that takes effect after the first day of a Policy Month, Premium will be charged from the first day of the next Policy Month. However, if a policy amendment or evidence of good health is required for such insurance, Premium will be charged as of the date such insurance takes effect.

If this policy ends, or if insurance ends for a class of persons, Premium will be charged to the date insurance ends. If insurance ends for other reasons, Premium will be charged to the end of the Policy Month in which insurance ends.

PREMIUM RATES (Continued)

Right to Change Premium Rates

MetLife may change Premium rates for changes which materially affect the risk assumed for the insurance provided by this policy, as follows:

1. when this policy is amended or endorsed;
2. when a class of eligible persons is added to or deleted from this policy for any reason including corporate restructuring, acquisition, spin-off or similar situations;
3. when a Policyholder's subsidiary, affiliate, division, branch or other similar entity is added to or deleted from this policy for any reason including corporate restructuring, acquisition, spin-off or similar situations;
4. when there is a significant change in the geographic distribution of insured Employees;
5. when applicable law requires a change in:
 - a. the insurance provided by this policy; and/or
 - b. the class of persons eligible for insurance under this policy; or
6. when a Premium Due Date coincides with or next follows:
 - a. a change greater than 10% in the number of Covered Persons since the later of the policy Effective Date and the last date Premium rates were changed; or
 - b. a change greater than 10% in the amount of insurance provided by this policy since the later of the policy Effective Date and the last date Premium rates were changed.

In addition, MetLife may change Premium rates:

1. except as may be stated in Exhibit 1, on any date on or after the first Policy Anniversary; this will be done no more frequently than every 12 months and only if MetLife notifies the Policyholder, in Writing, at least 31 days before such change; and
2. on any other date agreed to by MetLife and the Policyholder.

The new Premium rates will apply only to Premiums due on or after the date the rate change takes effect.

GRACE PERIOD

Each Premium due after the effective date of this policy may be paid up to 61 days after its Premium Due Date. This period is the grace period. The insurance provided by this policy will stay in effect during this period. MetLife will notify the Policyholder in Writing that, if the Premium is not paid by the end of the grace period, this policy will end at the end of the last day of the grace period. If MetLife fails to give Written notice to the Policyholder, this policy will continue in effect until the date such notice is given.

Policyholder's intent to end this policy during the grace period. The Policyholder may notify MetLife in Writing prior to the end of the grace period of its intent to end this policy before the end of the grace period. In this case, this policy will end on the later of:

1. the date stated in the notice; or
2. the date MetLife receives the notice.

If the Policyholder replaces this policy with another group insurance policy but does not give MetLife notice of intent to end this policy, the grace period provisions will apply.

Grace period extensions. MetLife may extend the grace period by giving Written notice to the Policyholder. Such notice will state the date this policy will end if the Premium remains unpaid.

Premiums must be paid for a grace period, any extension of such period and any period insurance under this policy was in effect for which Premium was not paid.

END OF INSURANCE PROVIDED BY THIS POLICY

The Policyholder can end this policy by giving 60 days advance Written notice to MetLife. The policy will end on the later of:

1. the date stated in the notice; or
2. the date MetLife receives the notice.

MetLife can end this policy as follows:

1. on the date Premium is not paid when due, subject to the Grace Period provisions; or
2. on any Premium Due Date, by giving the Policyholder 31 days advance Written notice, if less than:
 - a. for Dental Insurance, 75% of persons eligible under this policy are insured for such Contributory Insurance; or
for Supplemental Life Insurance and Dependent Life Insurance 15% of persons eligible under this policy are insured for such Contributory Insurance; or
 - b. 100% of persons eligible under this policy are insured for Noncontributory Insurance; or
 - c. for Disability Income Insurance: Long Term Benefits, 10 Employees are insured by this policy;
for Voluntary Accidental Death or Dismemberment Insurance, 20 Employees are insured by this policy; or
for all other insurance provided by this policy, 50 Employees are insured by this policy; or
3. on any Premium Due Date, by giving the Policyholder 60 days advance Written notice, if the Policyholder fails to provide information on a timely basis or perform any obligations required by this policy or any applicable law; or

END OF INSURANCE PROVIDED BY THIS POLICY (Continued)

4. on any Policy Anniversary, except during a Rate Guarantee Period as may be provided in Exhibit 1, by giving the Policyholder 31 days advance Written notice.

This policy will end on the date on which the last certificate in effect under this policy ends.

If this policy ends, all Premiums due must be paid. If MetLife accepts Premium after the date this policy ends, such acceptance will not act to reinstate the policy. MetLife will refund any unearned Premium.

REINSTATEMENT

The Policyholder may request to reinstate this policy within one year from the date it ended. The request must be in Writing and it must provide MetLife with information that MetLife requires to consider such request. If MetLife approves the request, the policy will be reinstated on the date stated in Writing by MetLife.

GENERAL PROVISIONS

Entire Contract. The entire contract is made up of the following:

1. this policy, including its Exhibits;
2. the Policyholder's application; and
3. the amendments and endorsements to this policy, if any.

Policy Changes or Waivers. The terms and provisions of this policy may be changed, at any time, without the consent of the Covered Persons or anyone else with a beneficial interest in it. MetLife will issue amendments or endorsements to effect such changes. MetLife will only make changes that are consistent with applicable law. An amendment or endorsement will not affect the insurance provided under certificates issued before the effective date of the change, unless retroactivity is consistent with applicable law.

An officer of MetLife must approve in Writing any change or waiver of the terms and provisions of this policy. A sales representative, or other MetLife employee, who is not an officer of MetLife does not have MetLife's authority to approve such changes or waivers. A change or waiver will be evidenced by an amendment Signed by an officer of MetLife and the Policyholder or an endorsement Signed by an officer of MetLife. A copy of the amendment or endorsement will be provided to the Policyholder for attachment to this policy.

Incontestability: Statements Made by the Policyholder. Any statement made by the Policyholder will be considered a representation and not a warranty. MetLife will not use such statement to avoid insurance, reduce benefits or defend a claim unless it is contained in a Written application. MetLife will not use such statement to contest life insurance after it has been in force for 2 years from its effective date, or date of last reinstatement.

Incontestability: Statements Made by Covered Persons. Any statement made by a Covered Person will be considered a representation and not a warranty. MetLife will not use such statement to avoid insurance, reduce benefits or defend a claim unless the following requirements are met:

1. the statement is in a Written application or enrollment form;
2. the Covered Person has Signed the application or enrollment form; and
3. a copy of the application or enrollment form has been given to the Covered Person or his beneficiary.

MetLife will not use a Covered Person's statements which relate to insurability to contest life insurance after it has been in force for 2 years during his life. In addition, MetLife will not use such statements to contest an increase or benefit addition to such insurance after the increase or benefit has been in force for 2 years during his life.

GENERAL PROVISIONS (Continued)

Certificates. MetLife will issue certificates to the Policyholder for delivery to each Covered Person, as appropriate. Such certificate will describe the Covered Person's benefits and rights under this policy. "Certificate" includes any of MetLife's insurance riders, notices or other attachments to the certificate.

Assignment. The rights and benefits under this policy are not assignable prior to a claim for benefits, except as required by law or as permitted by MetLife.

Data Needed. The Policyholder will provide MetLife with all the data needed to compute Premiums and carry out the terms of this policy. MetLife may examine such data at any reasonable time. If MetLife or the Policyholder make a clerical error in keeping the data, the Premium and/or benefits will be adjusted according to the correct data. An error will not end insurance validly in effect, nor will it continue insurance validly ended.

Misstatement of Age. If a Covered Person's age is misstated, the correct age will be used to determine if insurance is in effect and, as appropriate, adjust the Premium and/or benefits.

Non-Dividend Paying. This policy does not pay dividends.

Conformity with Law. If the terms and provisions of this policy do not conform to any applicable law, this policy shall be interpreted to so conform.

SCHEDULE OF EXHIBITS

Exhibit Number	Exhibit Type	Applies To	Effective Date
1	Schedule of Premium Rates	All Covered Persons	July 1, 2010
2	Certificate Forms	All Covered Persons	July 1, 2010

EXHIBIT 1

SCHEDULE OF PREMIUM RATES

The initial monthly Premium rates for the insurance provided by this policy are as follows:

Rate Guarantee Period

Subject to the Right to Change Premium Rates provision on page 5, the Basic Life, Supplemental Life, Dependent Life, Basic Accidental Death and Dismemberment, and Voluntary Accidental Death and Dismemberment Insurance and Disability Income Insurance: Long Term Benefits Premium rates will be in effect for the period which begins on July 1, 2010 and ends on June 30, 2013.

Subject to the Right to Change Premium Rates provision on page 5, the below initial monthly Dental Insurance Premium rates will not be increased by more than 10% for the period which begins on July 1, 2011 and ends June 30, 2012.

Basic Life Insurance for Employees:

For Full-Time Employees: \$0.23 per \$1,000 of Basic Life Insurance in force hereunder.

For Full-Time Employees who were hired on or before July 1, 1992, who elected the additional \$5,000 benefit, and who continued to be covered for such benefit on June 30, 2010 – applicable to the additional \$5,000 benefit: \$0.59 per \$1,000 of Basic Life Insurance in force hereunder.

For Retired Employees: \$1.73 per \$1,000 of Basic Life Insurance in force hereunder.

Supplemental Life Insurance for Employees:

<u>Age of Employee</u>	<u>Amount Per \$1,000 of Supplemental Life Insurance in force hereunder</u>
Less than 25	\$0.073
25 but less than 30	\$0.075
30 but less than 35	\$0.101
35 but less than 40	\$0.129
40 but less than 45	\$0.154
45 but less than 50	\$0.229
50 but less than 55	\$0.380
55 but less than 60	\$0.676
60 but less than 65	\$0.949
65 but less than 70	\$1.667
70 and greater	\$2.701

Basic Accidental Death and Dismemberment Insurance for Employees:

For Full-Time Employees: \$0.03 per \$1,000 of the Full Amount of Basic Accidental Death and Dismemberment Insurance for Employees.

For Full-Time Employees who were hired on or before July 1, 1992, who elected the additional \$5,000 Basic Life benefit, and who continued to be covered for such benefit on June 30, 2010 – applicable to the additional \$5,000 Basic Life benefit: \$0.04 per \$1,000 of the Full Amount of Basic Accidental Death and Dismemberment Insurance for Employees.

Voluntary Accidental Death and Dismemberment Insurance: - \$0.030 per \$1,000 of the Full Amount of Voluntary Accidental Death and Dismemberment Insurance on account of an Employee only and \$0.045 per \$1,000 of the Full Amount of Voluntary Accidental Death and Dismemberment Insurance on account of an Employee and Dependents.

EXHIBIT 1 (continued)

SCHEDULE OF PREMIUM RATES

Life Insurance for Dependent Spouse:

<u>Age of Employee</u>	<u>Amount per \$1,000 of Life Insurance for Dependent Spouse in force hereunder</u>
Less than 25	\$0.040
25 but less than 30	\$0.046
30 but less than 35	\$0.058
35 but less than 40	\$0.075
40 but less than 45	\$0.098
45 but less than 50	\$0.131
50 but less than 55	\$0.223
55 but less than 60	\$0.349
60 but less than 65	\$0.586
65 but less than 70	\$1.031
70 and greater	\$1.722

Life Insurance for Dependent Child(ren): - \$0.12 per \$1,000 of Dependent Life Insurance on account of child(ren) in force hereunder.

Disability Income Insurance: Long Term Benefits: - \$0.26 per \$100 of Total Insured Payroll.

Total Insured Payroll means the sum of each Employee's Predisability Earnings up to a maximum of \$4,167 per Employee.

Dental Insurance:

For Plan 1:

	<u>Amount Per Employee</u>
Employee only	\$38.56
Employee and one Dependent	\$67.64
Employee, Spouse and Child(ren)	\$100.29

For Plan 2:

	<u>Amount Per Employee</u>
Employee only	\$32.81
Employee and one Dependent	\$55.90
Employee, Spouse and Child(ren)	\$75.68

EXHIBIT 2**CERTIFICATE FORMS**

Certificate Number	Certificate Form	Applies To	Effective Date
1	GCERT2000	Life Insurance, Accidental Death and Dismemberment Insurance, and Disability Income Insurance: Long Term Benefits for All Full-Time Police Employees	July 1, 2010
2	GCERT2000	Life Insurance, Accidental Death and Dismemberment Insurance, and Disability Income Insurance: Long Term Benefits for All Full-Time Firefighters Local 1590 Employees	July 1, 2010
3	GCERT2000	Life Insurance, Accidental Death and Dismemberment Insurance, and Disability Income Insurance: Long Term Benefits for All Full-Time Crossing Guard Employees	July 1, 2010
4	GCERT2000	Life Insurance, Accidental Death and Dismemberment Insurance, and Disability Income Insurance: Long Term Benefits for All Full-Time Union Locals 1102 and 320 Employees	July 1, 2010
5	GCERT2000	Life Insurance, Accidental Death and Dismemberment Insurance, and Disability Income Insurance: Long Term Benefits for All Full-Time Nonunion Employees, excluding Crossing Guards	July 1, 2010
6	GCERT2000	Life Insurance, Accidental Death and Dismemberment Insurance, and Disability Income Insurance: Long Term Benefits for All Full-Time Elected Officials and Employees Appointed to Serve	July 1, 2010
7	CR2000	Life Insurance and Accidental Death and Dismemberment Insurance for All Full-Time Employees who were hired on or before July 1, 1992, who elected the additional \$5,000 Basic Life benefit, and who continued to be covered for such benefit on June 30, 2010	July 1, 2010
8	GCERT2000	Life Insurance for grandfathered retirees	July 1, 2010
The Policyholder and MetLife have agreed that certain retired persons will be insured for Basic Life Insurance amounts as evidenced in appropriate records of MetLife and the Policyholder.			
9	GCERT2000	Dental Insurance: Plan 1 for All Full-Time Employees, excluding Crossing Guards	July 1, 2010
10	GCERT2000	Dental Insurance: Plan 2 for All Full-Time Employees, excluding Crossing Guards	July 1, 2010

MetLife®

Metropolitan Life Insurance Company
200 Park Avenue, New York, New York 10166

APPLICATION FOR GROUP INSURANCE

The applicant named below is applying for a Group Policy to provide insurance for the persons specified below.

APPLICANT DATA

1. Full legal name of Applicant: City of Wilmington (the "Policyholder")
2. Address: 800 French Street City Wilmington State DE Zip 19801

POLICY EFFECTIVE DATE

The Group Policy's effective date will be July 1, 2010, subject to MetLife's acceptance of this application and the Applicant's payment of the Premium due on or before such date.

POLICY SITUS

The Group Policy will be issued for delivery in and governed by the laws of Delaware

COVERAGE DATA

	Employees / Members Only	Employees / Members and Dependents
<u>Life Insurance</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<u>Dental Insurance</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<u>Disability Income Insurance: Long Term Benefits</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Accidental Death and Dismemberment Insurance</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

PREMIUM DATA

Premiums will be paid: ☒ monthly ☐ quarterly ☐ annually ☐ other: _____

Attached is an advance payment of: \$ TBD

AGREEMENT

The Applicant signing below agrees to accept the terms and provisions of the Group Policy, including its Exhibits, amendments and endorsements, if any.

Fraud Warning. Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or a statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Monica Gonzalez Gillespie
(Signature of Applicant's Legal Representative)

Monica Gonzalez Gillespie
(Print Name and Title of Legal Representative)

Signed at: Wilmington DE
(City) (State)

Date: 4/5/10

William C. Hutchins, Jr.
(Signature of Witness)

William C. Hutchins, Jr.
(Print Name of Witness)

Reverda J. Moody, Jr.
(Signature of Licensed MetLife Agent or Resident Agent as required by law)

(Agent's State License No.)

Reverda J. Moody, Jr.
(Print Name of Agent)
RJM Associates, Inc.

APP-GP99

Approved as to form
Reverda J. Moody, Jr.
4/19/2010

NW/F